



COUNTY OF LOS ANGELES
Public Health

JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer

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September 14, 2012

TO: Each Supervisor

FROM: Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

SUBJECT: **NOTIFICATION OF THE USE OF DELEGATED AUTHORITY TO AMEND FIVE CONTRACTS FOR THE PROVISION OF DRUG/MEDI-CAL SERVICES**

This is to notify you that I am exercising the delegated authority approved by your Board on June 10, 2008, to increase or decrease contract obligations for all Drug/Medi-Cal (DMC) agreements, following notification to County Counsel, the Chief Executive Office, and your Board.

Pursuant to both State legislation and the federal ruling of Sobky v. Smoley, counties are required to enter into agreements with all State-certified DMC service providers who request service contracts and who demonstrate the ability to comply with all local requirements. Moreover, when these agencies request additional funds necessary to provide services to persons eligible for DMC program services, counties are required to amend the DMC agreements to reflect the additional services and funding. Under this federal ruling, counties have no basis to deny reimbursement for services if the contractor is in full compliance with contractual requirements.

Under the delegated authority referenced above, I will execute the following DMC amendments for the term July 1, 2010 through June 30, 2011; 100 percent offset by State Realignment revenues as authorized under Assembly Bill 118 and federal Medicaid matching funds:

1. Agreement Number PH-000345 with Wings of Refuge to increase the annual maximum obligation by \$9,079 from \$100,000 to \$109,079 for additional Outpatient Drug Free Services and additional Day Care Habilitative Services;
2. Agreement Number PH-000350 with Addiction Research and Treatment, Inc. to increase the annual maximum obligation by \$30,220 from \$4,822,972 to \$4,853,192 for additional Narcotic Treatment Program Services;
3. Agreement Number PH-000437 with Remah Health Services, Inc. to increase the annual maximum obligation by \$29,937 from \$250,000 to \$279,937 to reallocate funds from Outpatient Drug Free Services, and provide additional Day Care Habilitative, Perinatal Outpatient Drug Free, and Perinatal Day Care Habilitative Services;

4. Agreement Number PH-000469 with Pom-Pom's Castle D.B.A Clean and Free Substance Abuse Center to reallocate \$20,184 from Day Care Habilitative Services to Outpatient Drug Free Services based on the needs of the service area; and
5. Agreement Number PH-000553 with California Care Corporation to increase the annual maximum obligation by \$641 from \$465,000 to \$465,641 for additional Outpatient Drug Free Services.

On June 7, 2011, your Board approved the renewal of these agreements for an additional three years, effective July 1, 2011 through June 30, 2014.

County Counsel has reviewed and approved the amendments as to form and this delegated authority action.

If you have any questions or need additional information, please let me know.

JEF:yl
#02386

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors